



Global Business Services

ENCOMPASS Town Hall Presentation

June 14, 2007





Agenda

- Project Updates – Steve Daniels
- Balancing and Reconciliation – Steve Daniels
- Training – Daniel Kinnamon
- Project Module Work Group Updates – Daniel Kinnamon
- Internal Controls – Marilyn Rudolph
- Coming Attractions – Steve Daniels
- Questions & Answers session



Project Updates

- The Design Blueprint has been completed and approved by State of Indiana ENCOMPASS project leadership.
- We have moved into the Build phase of the project. The Build Phase will include activities such as:
 - Completing remaining business process design from the Design Phase
 - Technical builds of the GL, AR, AP, and AM modules, as well as developing security and system applications
 - Three separate cycles of Mock Conversions of data fields
 - Several types of testing – System Testing, Integration Testing, and Regression Testing
- AoS will issue a RFP to meet ENCOMPASS training needs.



Project Updates

- Earlier today, we held a forum with agency Chief Financial Officers and Controllers to keep leadership engaged on critical issues for ENCOMPASS success.
- The ENCOMPASS team has started delivering PeopleSoft Balancing and Reconciliation workshops
 - 3 workshops out of the 10 workshops scheduled have been conducted to date.
 - A total of 104 people representing 29 state agencies have attended workshop sessions.
- Chartfield Mapping activities were kicked off with our pilot agencies on June 7, 2007.



Project Updates

- All implementation projects continue to work together.
 - FSSA implemented Phase II of PeopleSoft and has moved into ongoing operations.
 - INDOT is on track for a July 1, 2007 go-live.
 - Department of Education has published a work request for their implementation, which is planned for go-live in the fall.
 - Supreme Court and the Clerk of Courts have decided to implement PeopleSoft and are getting ready to prepare their work request.
- The next Town Hall is August 9, 2007. Please mark your calendars!



Project Updates

- Important for agencies to begin recording all financial transactions in PeopleSoft 8.9 starting July 1, 2007
 - GMIS records show that agencies are not fully utilizing PS modules
 - Agencies should be fully utilizing the GL, AM, and AP modules for all transactions
- Data must be accurate in PeopleSoft in order to have a successful conversion from the old chart of accounts to the new.



Project Updates

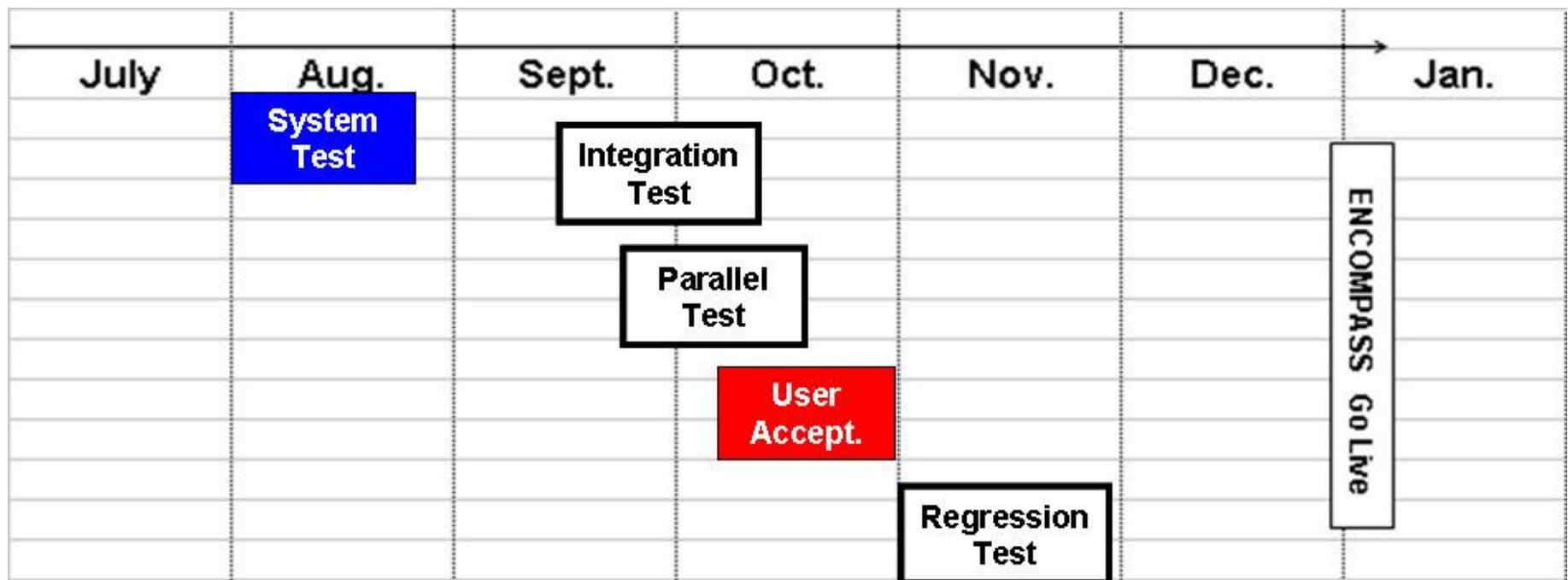
- Enterprise Pilot sessions begin the week of July 16
 - The Enterprise Pilot is a key part of the Build Phase
 - The EP is an extension of the Conference Room Pilot (CRP).
 - These sessions will allow the ENCOMPASS project Core Team members to perform transactions, including workflow, approvals, interfaces, and reports
 - Provides end-to-end demonstration of business processes
 - Provides ENCOMPASS project team and Core Team members with an opportunity to confirm that the system is working as expected
 - The ENCOMPASS project team is working on creating opportunities to demo ENCOMPASS to agency staff. Additional information will be forthcoming in the next few weeks.



Project Updates - Testing

Testing includes a number of test stages – each with a particular focus:

- **System Test -- comprehensive testing of system functionality** ★
- **Integration Test** – interfaces and PS inter-module functions
- **Parallel** – matching current AOS system processing with PS
- **User Acceptance – extensive testing by state team** ★
- **Regression Test** – final system confirmation





Project Updates - Chart of Accounts

- ENCOMPASS will establish a statewide accounting structure, i.e. Chart of Accounts (COA)
- In preparation for implementing the new COA, agencies will need to conduct the following activities:
 - Map existing chartfield data into the new COA structure
 - Analyze results of the mapping to identify gaps and or omitted chartfield values
 - Establish and validate new chartfield values
- The ENCOMPASS project team has developed a mapping tool to support COA mapping activities



Project Updates - Chart of Accounts (cont.)

- We are currently piloting the COA mapping tool with several agencies
- We will rollout the COA mapping tool to all agencies in the week of June 18
 - Invitations will go out this week to agency points of contact
 - 6 training sessions have been scheduled for June 20 through June 27
 - We will provide training, user guides, workshops and ongoing support
 - We will hold multiple “over the shoulder” workshop sessions during the weeks of June 25, July 9, and July 16
- Target completion date is July 20, 2007



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Balancing and Reconciliation





Balancing and Reconciliation

- Starting in FY 2008, SBA and GMIS will close accounting periods in PeopleSoft, which means:
 - On the first day after the end of each accounting period, AP will be closed and ***will not be reopened***.
 - After all journal entries have been posted to the GL, the GL will be closed for the period and ***will not be reopened***. This will ensure that the balances in the GL will not change after final monthly reports are generated.
- The ENCOMPASS project team will support Business Unit balancing and reconciliation activities, specifically:
 - Providing workrooms staffed with ENCOMPASS and GMIS staff in which PeopleSoft users can complete work.
 - Monitoring the reconciliation schedule and activities; notifying each Business Unit's Budget Analyst for non-conforming agencies.



Balancing and Reconciliation Schedule

FY 2008 Accounting Period	Month	Accounts Payable Accounting Period Close Date	Balancing Reconciliation Completion Date	General Ledger Accounting Period Close Date
1	July	August 1, 2007	August 22, 2007	August 27, 2007
2	August	September 1, 2007	September 19, 2007	September 24, 2007
3	September	October 1, 2007	October 17, 2007	October 22, 2007
4	October	November 1, 2007	November 14, 2007	November 19, 2007
5	November	December 1, 2007	December 7, 2007	December 12, 2007
6	December (month closes 12/21 – subject to change)	December 20, 2007	December 20, 2007	December 21, 2007



Balancing and Reconciliation

Open/Closing Accounting Periods

- What transactions can be processed when the AP and GL Accounting Periods are closed?

Transaction Type	If AP/GL Period Closed
Requisitions	No Effect
Purchase Orders	
AP Vouchers	Cannot Process (without date change)
GL Journals	

- How is an existing transaction “corrected” if its Accounting Period is closed?
 - Revise the Accounting Date to an allowable date
 - This does not change the Budget Date – just the effective date for the accounting transaction



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Training





Training

- AoS will provide hands-on instructor-led ENCOMPASS training to all agencies for the following PeopleSoft modules:
 - General Ledger
 - ePro/Purchasing
 - Accounts Payable
 - Accounts Receivable
 - Asset Management
 - Project costing
- AoS will also provide on-site training support after ENCOMPASS go-live



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Project Module Updates





Project Reporting Work Group

- The Project Work Group completed documentation of the Project Module Approach, including process flow matrices, and distributed to the Project *Reporting* Work Group.
- The Project Reporting Work Group reviewed delivered PeopleSoft Project reports, PeopleSoft Project Inquiry Tables and existing agency specific Project reports.
- The Project Reporting Work Group prepared a listing of new reports required for the Project Module Approach.



Project Reporting Work Group (cont.)

- The Project Reporting Work Group formed six subgroups with each subgroup focusing on a key Project reporting area.
- The Six Project Reporting Work Group Sub-Teams are:
 - Single Audit – SBOA
 - Cash Drawdown – DNR, DOH, DWD, FSSA & IDEM
 - Federal Financial Reporting – DNR, DOH, ICJI & IDEM
 - Project & Activity Budgeting – DNR, DOH, DWD, ICJI & IDEM
 - Funding Source – DNR, DOH, DWD, FSSA & IDEM
 - CMIA Clearance Patterns – DOH & DWD
- Each of these subgroups met to begin defining the Functional Specifications for the new required reports.
- Meetings will continue throughout June and early July.



Capital Project Work Group

- A new Capital Project Working Group has been established to review and finalize the Project Module Approach for Capital Construction Projects.
- The Capital Project Working Group consists of those agencies that are involved in major Capital Construction Projects that result in State-owned Capital Assets and Infrastructure, as well as the ENCOMPASS team:
 - Capital Construction Agencies: DOA, DOC, DOH, DNR, DPW, INDOT & ISP
 - ENCOMPASS Team: AOS, GMIS, SBA & SBOA



Capital Project Work Group

- The Capital Project Working Group convened its first meeting on June 7, 2007.
- At that meeting, the Capital Project Working Group began the review of the documentation of the Project Module Approach for Capital Projects.
- During upcoming meetings, the Work Group will review the approach documentation and develop recommendations for the Project Module Approach for Capital Projects.
- Upon completion of the revised Project Module Approach for Capital Projects, the Capital Work Group will focus on defining any additional required reports from the Project Module related to Capital Projects.



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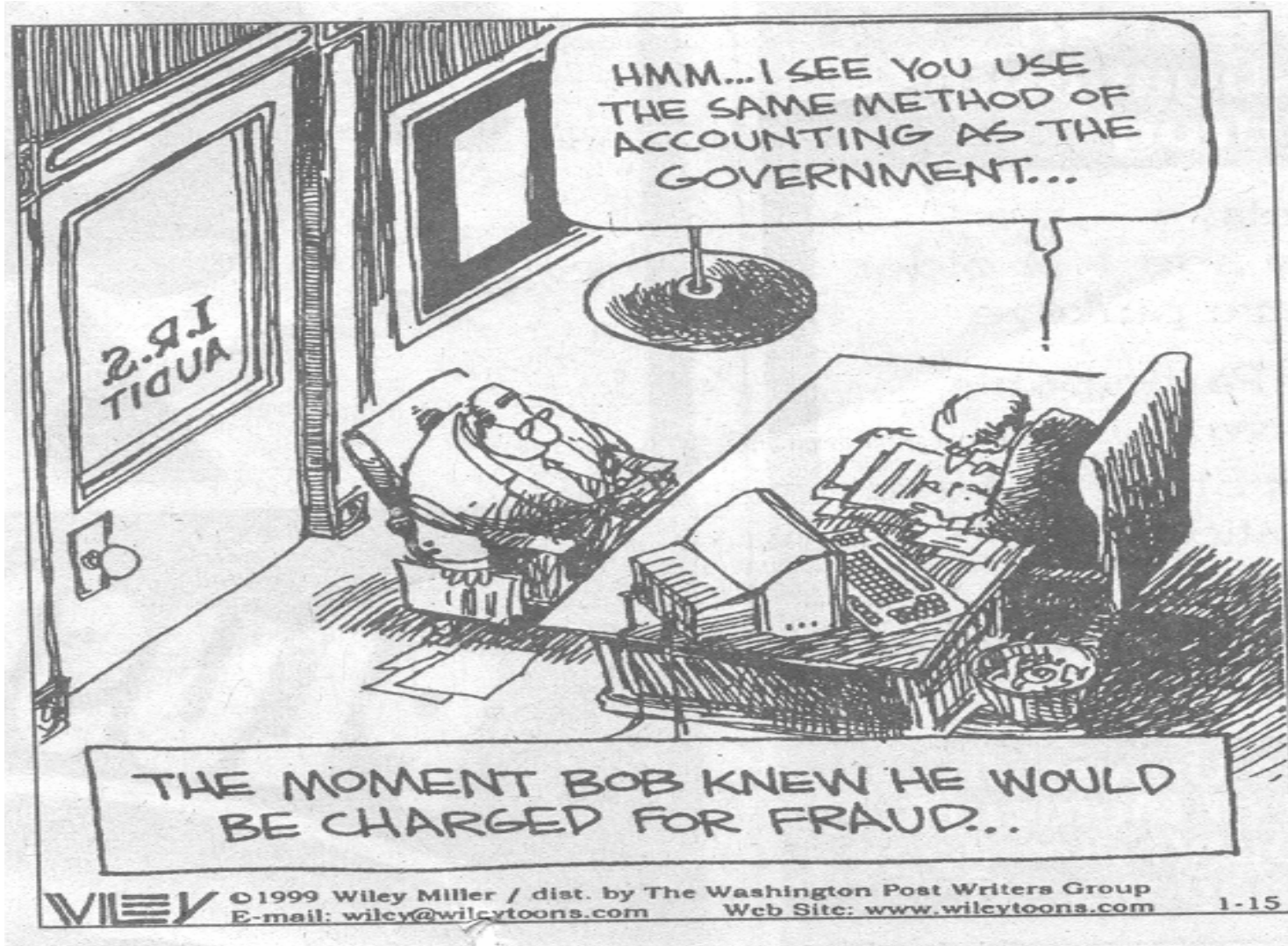
Internal Controls

Roles and Approvals





Internal Control





Internal Control

- Five Components of Internal Control
 - Control Environment
 - Risk Assessment
 - Control Activities (includes segregation of duties)
 - Information and Communication
 - Monitoring
- An Internal Control Work Group has been formed to address the following topics:
 - Document the critical steps in the business processes of each PS Module
 - Identify user roles and the related segregation of duties
 - Working with GMIS to setup new PeopleSoft security roles
 - Testing of system functionality to confirm desired capabilities
 - Identifying a small group of agencies to pilot the new Internal Control structure



Internal Control

Segregation of Duties

- Segregation of duties is an EXTREMELY important part of the 3rd component of Internal Control - Internal Control Activities
 - Potential problems (and audit issues) exist now
 - 95% of SBOA audit comments/findings are a result of poor internal controls.
 - 54% of programs reviewed for the PROBE report had no records to determine program performance.
 - It is not necessary to wait until January to fix these issues
 - PeopleSoft will have role restrictions and security
 - Work lists and other approvals are being added



Internal Control

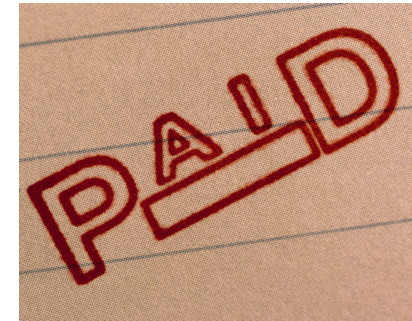
Example: Purchasing Activities



Making the Purchase



Receiving the Goods



Paying the Invoice

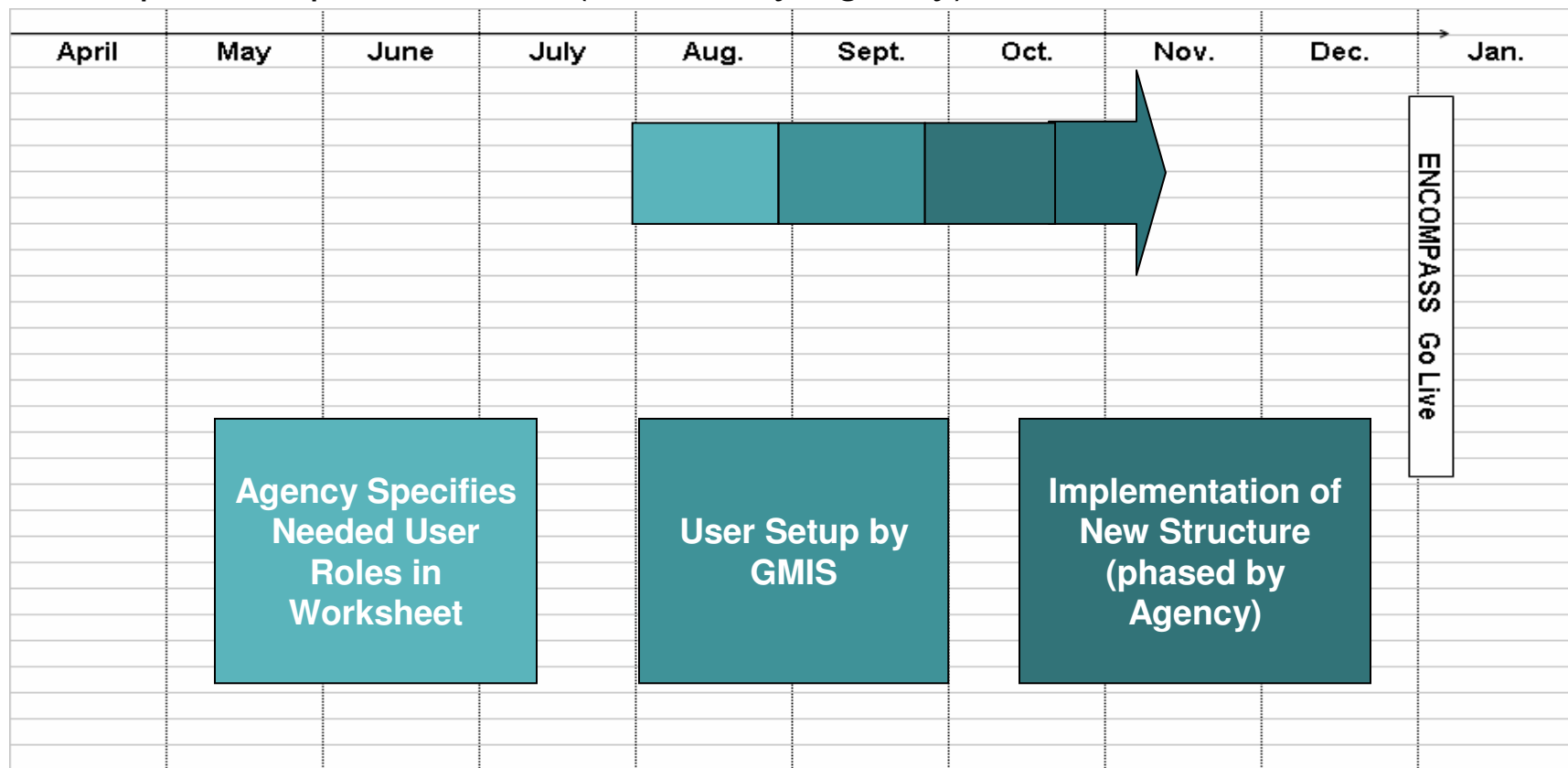
A single staff person SHOULD NOT have all of the roles of the purchasing-payment process – This is the first step toward headline news



Internal Control

Planned Agency Implementation

- Agency Specification of Users and Roles
- Setup and Implementation (Phased by Agency)





Coming Attractions

- Introduction to the new Chart of Accounts
- Internal Controls session
- Federal grants briefing
- Capital projects briefing
- “Working Through Change” workshop
- More to come...watch your e-mail for session announcements.
- Not on the ENCOMPASS e-mail list? Send a message to encompass@sba.in.gov



Contact Information

- ENCOMPASS Website
 - <http://myshare.in.gov/sba/encompass>
- ENCOMPASS Email Address
 - encompass@sba.in.gov
- If you are having technical issues, submit them to GMIS
 - http://extranet.in.gov/gmis/issue_entry/base/issue_entry.asp

We Welcome Your Feedback / Questions / Comments



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Question and Answer Session

